

**UNIVERSITY OF HOUSTON SYSTEM
ADMINISTRATIVE MEMORANDUM**

SECTION: University Advancement

NUMBER: 08.A.05

AREA: General

SUBJECT: Gifts by UH System Employees Through Payroll Deduction

1. PURPOSE

This administrative memorandum establishes guidelines, in accordance with Section 51.946 of the Education Code, for gifts to the University of Houston System, UH System support organizations, and other State of Texas public universities by UH System employees using a payroll deduction program. These guidelines do not include the State Employee Charitable Campaign (SECC).

2. POLICY

2.1. Timing of Program The payroll deduction program for all UH System components will be conducted on a fiscal-year basis.

2.2. Enrollment

- a. Each UH System component will conduct its own enrollment. Each Office of Development is responsible for providing marketing direction and for confirming gift allocation parameters under the general oversight and guidance of the Vice Chancellor for University Advancement through the Development Executive Staff (a committee represented by UH System component chief development officers and other key development positions).
- b. Employees may sign up to participate in the payroll deduction program once a year during a formal enrollment period. New employees who start work after the formal enrollment period must wait until the following year to participate.
- c. Employees may discontinue participation in the payroll deduction program at any time by giving written notice to the payroll department at their UH System component.
- d. Each Office of Development will report all enrollment information to the UH System Donor and Alumni Records department, which will work with the appropriate payroll department to ensure proper recording of deductible amounts, gift designations, and other relevant information.

2.3. Gift Levels and Designations

- a. The minimum contribution amount through the payroll deduction program is \$2.00 per month (\$24.00 annually) per designation. For example, if an employee wishes to support both general scholarships and the library, a minimum gift of \$4.00 per month (\$48.00 annually) is required.
- b. Employees may designate all or a portion of their gift to any UH System component. For example, a UH main campus employee may split their gift between the UH Library and the UH System at Fort Bend.
- c. Employees may designate all or a portion of their gift to a UH System support organization so long as the support organization is in full compliance with rules adopted by the University under Section 2255.001 of the Government Code.
- d. Employees may designate all or a portion of their gift to another State of Texas public university.

2.4. Payroll Deduction Process

- a. Deductions are made on an after-tax basis. They are not tax deferred.
- b. Deductions will take place each month (12 months for the full year). Deductions for biweekly employees will take place only once a month, during the first cycle of each month.
- c. One General Ledger account will be established at the System level for each UH System component into which deductions will be deposited.
- d. One Ledger 4 account will be established at each component to receive transfers from the System-level accounts.
- e. The Donor and Alumni Records department will receive an itemized list of deductions from the Payroll Department, process the gifts through the UH System donor/alumni information management system, and distribute allocation instructions to each UH System component.
- f. Each UH System component is responsible for transferring funds to appropriate designated accounts, transferring funds to other UH System components (if one or more of its employees designated a portion of their gift to another component) and ensuring payment to other State of Texas public universities.

3. REVIEW AND RESPONSIBILITIES

Responsible Party: Vice Chancellor for University Advancement

Review: Odd years before August 31

4. APPROVAL

Approved: Arthur K. Smith
Chancellor

Date: January 16, 2001

5. INDEXING TERMS

Payroll deduction
Employee gifts